

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

LTD

(505) 325-5599

2657 VSG INTERESTS I/MARALEX RESOURCES, INC.

3. ADDRESS OF OPERATOR

PO Box 421, Blanco, NM 87412-0421

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1850' FSL, 1450' FWL (NE SW) Sec 20-T26N-R13W

At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approx 18-1/2 miles southeast of Farmington, NM

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1850'

16. NO. OF ACRES IN LEASE

2320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

W/ 320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1900'

19. PROPOSED DEPTH

1842'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GK, etc.)

GL 6567' 6558'

22. APPROX. DATE WORK WILL START*

Upon BLM Approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20# J-55	120'	50 sx Class B
6-1/4"	4-1/2"	10.5# J-55	75/842'	250 sx Class B

Maralex Resources, Inc. proposes to drill a vertical well to develop the Fruitland Coal Formation at the above described site in accordance with the attached drilling and surface use programs.

As part of the NAPI Project, this location has already been archaeologically surveyed. No additional archaeology reports will be submitted with this APD.

All of the access road for this well is located on this lease, so no right-of-way application is required.

cc: BIA

RECEIVED

DEC 7 1993

OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on location, depth, and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

D. R. Reimers

TITLE Engineering Manager

DATE October 8, 1993

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within the jurisdiction of such department or agency.

DISTRICT MANAGER

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

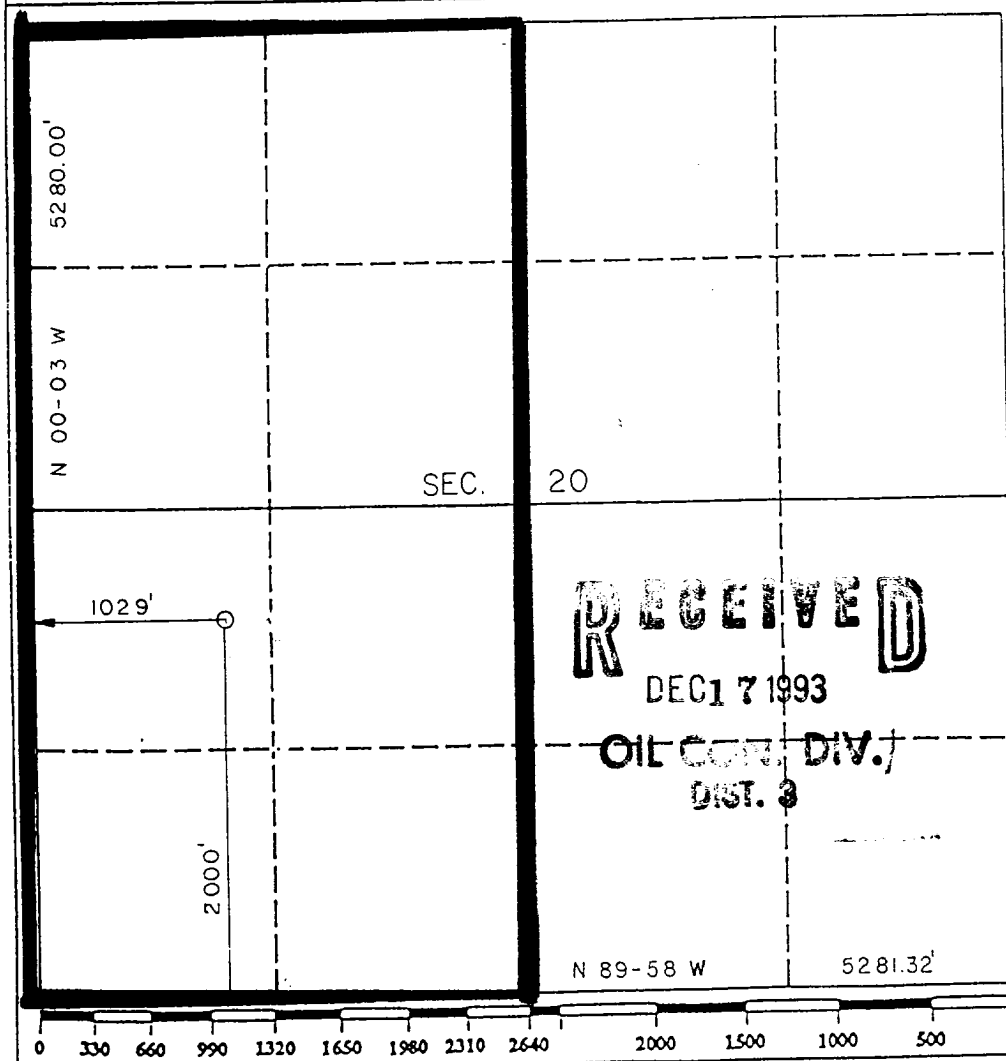
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MARALEX RESOURCES, INC.		Lease W. BISTI 26-13-20		Well No. 2
Unit Letter L	Section 20	Township 26 NORTH	Range 13 WEST	County SAN JUAN
Actual Footage Location of Well: 2000 feet from the SOUTH line and 1029 feet from the WEST line				
Ground level Elev. 6558	Producing Formation Fruitland	Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature *D.R. Reimers*
Printed Name **D.R. Reimers**

Position **Engineering Manager**
Company **Maralex Resources, Inc.**
Date **October 22, 1993**

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **OCTOBER 19, 1993**
Signature & Seal of Professional Surveyor *[Signature]*

ROY RUSH
Certificate No. **8894**

4042000m N.

4041

BISTI TRADING POST 13 MI.

4039

27°30"

4038

4037

T. 26 N.

6330

6248

6175

16

6229

PIPELINE

Wash

6193

15

6120

6198

21

6297

22

6194

WEST BISTI
26-13-20 NO. 2

MES

65760

6277

6223

MONCISCO

28

6305

27

6200

6265

6261

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MARALEX RESOURCES, INC.

WEST BISTI 26-13-20 No. 2

2000' FSL, 1029' FWL

SEC 20-T26N-R13W

SAN JUAN COUNTY, NEW MEXICO

11/11/11